

**CLARE VALLEY RACING CLUB INC**  
**INCOME & EXPENDITURE FOR THE YEAR ENDED 30TH JUNE 2023**

<u>RACE MEETING INCOME</u>	<b>2022</b>	<b>2023</b>
<b>Admissions</b>		
Course Admissions	59,973	59,739
Racebook Sales	-	-
<b>Total Admissions</b>	<b>59,973</b>	<b>59,739</b>
<b>Food &amp; Beverage</b>		
Catering Race Day Sales	125,123	105,836
<b>Total Food &amp; Beverage</b>	<b>125,123</b>	<b>105,836</b>
<b>Betting</b>		
On-Course Tote Commission	5,701	5,150
<b>Total Betting</b>	<b>5,701</b>	<b>5,150</b>
<b>Entries &amp; Acceptances</b>		
Nominations	11,320	12,320
Scratching Fees	2,000	2,720
<b>Total Entries &amp; Acceptances</b>	<b>13,320</b>	<b>15,040</b>
<b>Marketing &amp; Promotion</b>		
Sponsorship	31,460	50,046
Promotional Grants	9,291	9,298
Racetrack Signage	500	1,000
<b>Total Marketing &amp; Promotion</b>	<b>41,251</b>	<b>60,344</b>
<b>Sundry Raceday Income</b>		
Raceday Packages	14,120	23,757
Sundry Income Racedays	12,698	728
TRSA Raceday Revenue	17,250	20,250
<b>Total Sundry Raceday Income</b>	<b>44,068</b>	<b>44,735</b>
<b>TOTAL RACEMEETING INCOME</b>	<b>289,436</b>	<b>290,844</b>
<b>OTHER INCOME</b>		
Interest Received	13	303
Membership Subscriptions	2,345	5,747
Rent Received / Hire Fees	-	1,587
Trader Site Fees	2,786	-
Training Fees	909	909
TRSA Training Subsidy	5,200	5,356
TRSA Capital Grant	15,998	-
Camping Site Fee	6,895	-
Merchandise Sales	3,977	1,007
<b>TOTAL OTHER REVENUE</b>	<b>38,123</b>	<b>14,909</b>
<b>TOTAL REVENUE</b>	<b>327,559</b>	<b>305,753</b>

**CLARE VALLEY RACING CLUB INC**  
**INCOME & EXPENDITURE FOR THE YEAR ENDED 30TH JUNE 2023**

<u>RACEMEETING EXPENDITURE</u>	<b>2022</b>	<b>2023</b>
Trophies	1,427	-
<b>Total Stake money &amp; Subsidies</b>	<b>1,427</b>	<b>-</b>
 <b><u>RACEDAY EXPENSES</u></b>		
<b>Food &amp; Beverage</b>		
Catering Race Day Purchases	55,890	54,061
<b>Total Food &amp; Beverage</b>	<b>55,890</b>	<b>54,061</b>
 <b>Marketing &amp; Promotions</b>		
Advertising & Publicity	8,559	5,898
Merchandise	474	909
Miscellaneous Marketing/Entertainment	1,891	1,153
Sponsorship	5,434	-
<b>Total Marketing &amp; Promotions</b>	<b>16,358</b>	<b>7,960</b>
 <b>Raceday Expenditure</b>		
Catering	-	6,180
Cleaning & Preparation	3,844	184
Equipment Hire	48,508	44,067
Labour Hire	23,287	23,633
Professional Services	13,364	13,536
Security	22,482	30,734
Sundry Raceday Expenses	1,150	1,310
Wages - Raceday Staff	6,475	4,751
<b>Total Raceday Expenditure</b>	<b>119,110</b>	<b>124,395</b>
 <b>Raceday Services</b>		
On- Course Totalizator Costs	6,243	4,393
Professional Fees - Vets & Farrier	3,907	4,037
Professional Fees - Ambulance Public	1,620	2,014
<b>Total Raceday Services</b>	<b>11,770</b>	<b>10,444</b>
 <b>TOTAL RACEMEETING EXPENDITURE</b>	 <b>204,555</b>	 <b>196,860</b>

**CLARE VALLEY RACING CLUB INC**  
**INCOME & EXPENDITURE FOR THE YEAR ENDED 30TH JUNE 2023**

<b>RACECOURSE MAINTENANCE</b>	<b>2022</b>	<b>2023</b>
Fuel	1,820	2,348
Hire Equipment	2,968	3,288
Light Power & Gas	10,319	9,597
Maintenance Materials	799	1,474
Preparation & Cleaning	1,381	3,309
Rates Council/Water/ESL	5,068	5,009
Repairs & Maintenance - General	1,592	672
Repairs & Maintenance - Track	4,657	6,458
Repairs & Maintenance - Buildings	499	2,005
Repairs & Maintenance Plant & Equipment	3,581	3,481
General Maintenance - Fire / Security	1,854	-
Irrigation Costs	6,859	3,382
Soil, Seed and Fertilizer	6,396	6,106
Signage Expense	2,060	-
Superannuation	-	499
Wages - Groundsman	21,975	23,473
<b>Total Racecourse Maintenance</b>	<b>71,828</b>	<b>71,101</b>
<b><u>ADMINISTRATION EXPENDITURE</u></b>		
Accounting & Audit Expenses	1,650	2,250
Bank Charges	4,668	877
Committee Expenses	505	1,273
Depreciation - Club	27,306	20,752
Donations	5,278	4,503
Insurance	13,359	13,635
Interest Paid	-	18
Membership Expenses	308	948
Postage	70	-
Salaries / Management	26,000	24,000
Subscriptions	2,255	2,761
Sundry Expenses	575	106
Taxi & Freight	1,498	1,400
Telephone & Facsimile Expenses	3,212	4,912
Workcover	203	830
<b>Total Administration Expenditure</b>	<b>86,887</b>	<b>78,265</b>
<b><u>TOTAL EXPENDITURE</u></b>	<b>363,270</b>	<b>346,226</b>
<b><u>NET SURPLUS / (DEFICIT)</u></b>	<b>(35,711)</b>	<b>(40,473)</b>

**CLARE VALLEY RACING CLUB INC**  
**BALANCE SHEET AS AT 30TH JUNE 2023**

<u>ASSETS</u>	<b>2022</b>	<b>2023</b>
<u>Current Assets</u>		
Stock On Hand	3,270	4,390
ANZ Operating Account	46,811	64,311
ANZ Online Saver Account	60,002	10,305
Trade and other receivables	7,904	-
Deposit Paid - Solar Panels	-	19,412
<b>TOTAL CURRENT ASSETS</b>	<b>117,987</b>	<b>98,418</b>
<u>Non-Current Assets</u>		
<b>Fixed Assets Club Funded</b>		
Land - Fair Value	-	510,000
Building Improvements - Fair Value	-	340,000
Accumulated Depreciation	-	(8,500)
Land and Building Improvements - At Cost	-	5,533
Accumulated Depreciation	-	(502)
Land and Building Improvements	988,905	-
Accumulated Depreciation	(201,648)	-
Plant & Equipment	434,293	388,834
Accumulated Depreciation	(280,694)	(263,749)
<b>TOTAL FIXED ASSETS CLUB FUNDED</b>	<b>940,856</b>	<b>971,616</b>
<b>Fixed Assets Industry Funded</b>		
Building & Improvements	239,896	-
Accumulated Depreciation	(238,684)	-
Plant & Equipment RDB Funded	107,896	107,896
Accumulated Depreciation	(107,896)	(107,896)
<b>TOTAL FIXED ASSETS INDUSTRY FUNDED</b>	<b>1,212</b>	<b>-</b>
Intangible Assets	30,000	30,000
<b>TOTAL NON-CURRENT ASSETS</b>	<b>972,068</b>	<b>1,001,616</b>
<b>TOTAL ASSETS</b>	<b>1,090,055</b>	<b>1,100,034</b>
<u>LIABILITIES</u>		
<u>Current Liabilities</u>		
Trade creditors & other accruals	27,981	12,172
GST Paid	(32,908)	(29,335)
GST on Sales	26,259	28,416
Origin Energy - Solar Contract	-	18,412
Water Licence Commitment	17,934	17,934
<b>TOTAL CURRENT LIABILITIES</b>	<b>39,266</b>	<b>47,599</b>
<b>TOTAL LIABILITIES</b>	<b>39,266</b>	<b>47,599</b>
<b>NET ASSETS</b>	<b>1,050,789</b>	<b>1,052,435</b>

**Note 4**

**CLARE VALLEY RACING CLUB INC**  
**BALANCE SHEET AS AT 30TH JUNE 2023**

**ACCUMULATED FUNDS**

Balance from Previous Year	750,662	714,951
Assets Reserves	335,838	377,957
Retained Surplus / Deficit	(35,711)	(40,473)
<b>TOTAL ACCUMULATED FUNDS</b>	<b>1,050,789</b>	<b>1,052,435</b>
 <b>TOTAL MEMBERS FUNDS</b>	 <b>1,050,789</b>	 <b>1,052,435</b>

# Clare Valley Racing Club Incorporated

## Notes to the Financial Statements

For the Year Ended 30 June 2023

The financial statements cover Clare Valley Racing Club Incorporated ("the Club") as an individual entity. Clare Valley Racing Club Incorporated is a not-for-profit Association incorporated in South Australia under the *Associations Incorporation Act (SA) 1985* ('the Act').

The functional and presentation currency of Clare Valley Racing Club Incorporated is Australian dollars.

The financial statements are prepared on a going concern basis.

### 1 Summary of Significant Accounting Policies

#### Basis of Preparation

These financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (SA) 1985. The committee has determined that the Club is not a reporting entity.

The financial statements have been prepared on an accruals and are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The responsibility for the control of the Racing Industry in South Australia is that of Racing SA Limited ("RSA").

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements.

#### (a) Funding by Racing SA Limited

RSA is a company established as the controlling authority for the thoroughbred racing code and provides funding to the Club for operational, development and capital purposes. Grants received, or receivable, from RSA for capital purposes are treated as non-operating income and included in accumulated members' funds after deducting depreciation relating to the economic lives.

#### (b) Inventories

Inventories are measured at the lower of cost and net realisable value.

#### (c) Property, Plant and Equipment

Property, plant and equipment are carried at fair value or cost less, where applicable, any accumulated depreciation. All assets excluding freehold land and buildings, are depreciated over their useful lives to the Club.

In arriving at the operating result for the year, depreciation is provided on all property, plant and equipment excluding freehold land and buildings funded by the Club so as to write off the assets progressively over their economic lives. The economic lives of the various assets are under regular review and rates are adjusted where necessary.

#### (d) Impairment of non-financial assets

At each reporting date, the Club reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired.

If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of income and expenditure.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

**(e) Income Tax**

The Club is exempt from Income Tax under Division 50 of the Income Tax Assessment Act 1997.

**(f) Revenue**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised good or services to customers at an amount that reflects the consideration the Club expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

None of the revenue streams of the Club have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however, where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

Revenue is recognised either at a point in time when the Club satisfies performance obligations by transferring the promised goods or services to its customers.

The Club's key revenue streams are as follows:

**Sale of services**

The Club provides various services to organisations and communities and recognises revenue at a point in time when the services have been rendered.

**Sale of goods**

Revenue from the sale of goods is considered at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

**Grant revenue**

When the Club received operating grant revenue, donations or bequests, it assesses obligation whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Club identifies each performance obligation relating to the grant; recognises a contract liability for its obligations under the agreement; and recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Club recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example AASB 9, AASB 16, AASB 116 and AASB 138); recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2023**

### **Interest revenue**

Interest revenue is recognised using the effective interest rate method.

All revenue is stated net of the amount of goods and services tax (GST).

### **(g) Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### **(h) Trade and other receivables**

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current. All other receivables are classified as non-current assets.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

The Club has applied the simplified approach measuring expected credit losses, which uses a lifetime expected loss allowance. In using this practical expedient, the Club uses its historical experience, external factors and forward-looking information to calculate the expected credit losses using a provision matrix.

### **(i) Trade and other payables**

Trade and other payables represents the liability outstanding at the end of the reporting period for goods and services rendered by the Club during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

### **(j) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

### **(k) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of assets and liabilities are shown inclusive of GST.



## Clare Valley Racing Club Incorporated

# Notes to the Financial Statements

For the Year Ended 30 June 2023

## 2 Critical Accounting Estimates and Judgments

The Committee evaluate estimates and judgments which are incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Club.

### Key estimates – impairment of property, plant and equipment

The Club assess impairment at the end of each reporting period by evaluating conditions specific to the Club that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

## 3 Contingent Liabilities

In the opinion of the Committee, the Club did not have any contingencies at 30 June 2023 (30 June 2022: Nil).

## 4 Restatement of Comparatives

### Correction of error

A correction has been made to the comparative balance to restate the clubs prior commitment from 2019 for excessive usage of bore water. There was a penalty issued by the Department for Environment and Water issued to the Clare Valley Racing Club for water taken in excess of the available allocation on Water Licence 9780 in the 2018-19 water year.

The aggregate effect of the error on the annual financial statements for the year ended 30 June 2023 is as follows:

	Previously Stated \$	30 June 2022 Adjustment \$	Restated \$
<b>Balance Sheet</b>			
<b>Liabilities</b>			
Water Licence Commitment	-	(17,934)	(17,934)
	-	<b>(17,934)</b>	<b>(17,934)</b>
<b>Equity</b>			
Accumulated Surplus (Deficit) as at 30 June 2022	768,596	17,934	750,662
	<b>768,596</b>	<b>17,934</b>	<b>750,662</b>

## 5 Fair Value Adjustment to land and buildings

Land & Buildings were adjusted to Fair Value on 01 July 2022 based on appraisal performed by Ray White Clare. The club has elected to rely on this appraisal, which has resulted in an uplift of the initial valuation by \$42,119.

## 6 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in future financial years.

## 7 Statutory Information

The registered office and principal place of business of the Club is:

Clare Valley Racing Club Incorporated  
Strad Brook & Main North Road,  
Clare SA 5453

**Clare Valley Racing Club Incorporated**

**Statement by the Committee**

The Committee has determined that the Association is not a reporting entity.

The Committee has determined that this special purpose financial report should be prepared in accordance with the accounting policies as disclosed in Note 1 of the financial report.

In the opinion of the members of the Committee:


- 1) the financial report as set out on pages 1 to 9 presents fairly the financial position of Clare Valley Racing Club Incorporated as at 30 June 2023 and of its performance for the year ended on that date; and
- 2) at the date of this declaration there are reasonable grounds to believe that the Clare Valley Racing Club Incorporated will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Committee for and on behalf of the Committee by:

  
-----

Committee Member

*Chair person.*

  
-----

Committee Member

*Deputy chair*

Dated this 13 day of SEPT, 2023.

# Clare Valley Racing Club Incorporated

## Committee Report

In accordance with section 35(5) of the Associations Incorporations Act (SA) 1985, the committee of Clare Valley Racing Club Incorporated hereby states that during the year ended 30 June 2023:

- 1) No Committee member or officer of the Association has received or become entitled to receive during the financial year a benefit as a result of a contract made by the Association with a Committee member or officer of the Association, a firm of which a Committee member is a member or an entity in which a Committee member has a substantial financial interest, other than as is disclosed in the financial report.
- 2) No Committee member or officer of the Association has received any payment or other benefit of a pecuniary value from the Association during the financial period other than as is disclosed in the financial report.

Signed in accordance with a resolution of the Committee:

  
.....  
Committee Member

*chairperson*

  
.....  
Committee Member

Deputy Chair

Dated this 13 day of SEPT, 2023.

## Clare Valley Racing Club Inc.

Independent auditor's report to members

### Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the financial report of Clare Valley Racing Club Inc. (the Association), which comprises the balance sheet as at 30 June 2023, the profit and loss statement, notes to the financial statements, including a summary of significant accounting policies, and the statement by the committee.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 30 June 2023, and its financial performance for the year then ended in accordance with the accounting policies in Note 1 and the Association Incorporations Act (SA) 1985.

#### Basis for Qualified Opinion

Cash receipts are a significant source of revenue for Clare Valley Racing Club Inc. The association has determined that it is impracticable to establish control over the collection of cash receipts prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to cash receipts had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether cash receipts the association has recorded is complete.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our modified opinion.

### **Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Clare Valley Racing Club Inc. to meet the requirements of the Associations Incorporation Act (SA) 1985. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporation Act (SA) 1985 and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

[www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our independent auditor's report.



**William Buck (SA)**  
ABN 38 280 203 274

Dated this 13<sup>th</sup> day of September, 2023



**G.W. Martinella**  
Partner